

OFFICIAL FILE COPY

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

FOR: HEALTH CARE FINANCING ADMINISTRATION

RECEIVED
OCT 20 2000

1. SUBMITTAL NUMBER:

2. STATE:

0 0 0 0 1 2

Idaho

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

4. PROPOSED EFFECTIVE DATE

July 1, 2000

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN

☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN

☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

42 CFR Chapter IV, Subchapter C, Part 430 Subpart B

7. FEDERAL BUDGET IMPACT:

a. FFY 2000 \$ -0-

b. FFY 2001 \$ -0-

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 4.19-D Page 30 29 "P & I"

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):

Attachment 4.19D Page 30 29 "P & I"

10. SUBJECT OF AMENDMENT:

Reimbursement methodology and legislated rate freeze for ICFs/MR.

... GOVERNOR'S REVIEW (Check One):

☒ GOVERNOR'S OFFICE REPORTED NO COMMENT

☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☐ OTHER, AS SPECIFIED:

12. SIGNATURE OF STATE AGENCY OFFICIAL:

Karl B. Kurtz

13. TYPED NAME:

KARL B. KURTZ

14. TITLE:

Director

15. DATE SUBMITTED:

September 29, 2000

16. RETURN TO:

Joseph R. Brunson, Administrator
Idaho Dept of Health and Welfare
Division of Medicaid
PO Box 83720
Boise, ID 83720-0036

17. DATE RECEIVED:

OCT 2 2000

19. EFFECTIVE DATE OF APPROVED MATERIAL:

July 1, 2000

21. TYPED NAME:

Teresa L. Trimble

20. SIGNATURE OF REGIONAL OFFICIAL:

Teresa L. Trimble

22. TITLE:

Associate Regional Administrator

23. REMARKS:

TRUE 9/29 "B O I S E"

"P & I" changes were authorized by the State.

the following components: Property reimbursement, capped costs, an efficiency increment, exempt costs, excluded costs. Notwithstanding the provisions of Section 56-113, Idaho Code, the rates, including the special rates, in effect for the period "P & I" July 1, 2000 through June 30, 2001, shall not exceed the rates in effect in state fiscal year 2000 (July 1, 1999 through June 30, 2000). (7-1-00)T

241. PRINCIPLE.

Providers of ICF/MR facilities will be paid a per diem rate which, with certain exceptions, is not subject to an audit settlement. The per diem rate for a fiscal period will be based on audited historical costs adjusted for inflation. The provider will report these cost items in accordance with other provisions of this chapter or the applicable provisions of PRM to the extent not inconsistent with this chapter. (7-1-99)T

242. PROPERTY REIMBURSEMENT.

Beginning October 1, 1996, ICF/MR property costs are reimbursed by a rental rate or based on cost. The following shall be reimbursed based on cost as determined by the provisions of this chapter and applicable provisions of PRM to the extent not inconsistent with this chapter: ICF/MR living unit property taxes, ICF/MR living unit property insurance, and major movable equipment not related to home office or day treatment services. Reimbursement of other property costs is included in the property rental rate. Any property cost related to home offices and day treatment services are not considered property costs and shall not be reported in the property cost portion of the cost report. These costs shall be reported in the home office and day treatment section of the cost report. Property costs, including costs which are reimbursed based on a rental rate, shall be reported in the property cost portion of the cost report. The Department may require and utilize an appraisal to establish those components of property costs which are identified as an integral part of an appraisal. Property costs include the following components: (7-1-99)T

01. Depreciation. Allowable depreciation based on straight line depreciation. (7-1-97)

02. Interest. All allowable interest expense which relates to financing depreciable assets. Interest on working capital loans is not a property cost and is subject to the cap. (7-1-97)

03. Property Insurance. All allowable property insurance. Malpractice insurance, workmen's compensation and other employee-related insurances are not property costs. (7-1-97)

04. Lease Payments. All allowable lease or rental payments. (7-1-97)

05. Property Taxes. All allowable property taxes. (7-1-97)

06. Costs Of Related Party Leases. Costs of related party leases are to be reported in the property cost categories based on the owner's costs. (7-1-97)

243. ICF/MR CAPPED COST.

Beginning October 1, 1996, this cost area includes all allowable costs except those specifically identified as property costs in Section 242 and exempt costs or excluded costs in Section 246 or 247 of these rules. This Section defines items and procedures to be followed in determining this limit and provides the procedures for extracting cost data from historical cost reports, applying a cost forecasting market basket to project cost forward, procedures to be followed to project costs forward, and procedures for computing the median of the range of costs and the ICF/MR cap. (7-1-97)

01. Costs Subject To The Cap. Items subject to the cap include all allowable costs except property costs identified in Section 242 and exempt costs or excluded costs identified in Section 246 or 247 of these rules. Property costs related to a home office are administrative costs, shall not be reported as property costs, and are subject to the cap. (7-1-97)

02. Per Diem Costs. Costs to be included in this category will be divided by the total patient days for the facility for the cost reporting period to arrive at allowable per diem costs. If costs for services provided some or all non-Medicaid residents are not included in the total costs submitted, the provider must determine the costs and combine them with the submitted costs in order that a total per diem cost for that facility can be determined both for the purpose of determining the ICF/MR cap and for computing final reimbursement. (7-1-97)

TN #: 00-012
Supersedes TN #: 99-007

Date Approved: December 22, 2000
Effective Date: July 1, 2000 "P & I"